EXECUTIVE OFFICE OF THE PRESIDENT

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BUREAU OF THE BUDGET WASHINGTON, 25, D. C.

November 9, 1950

OMB Waiver Letter In ERU File

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Planning for continuity of operations under emergency conditions

In the spring of 1949 the National Security Resources Board requested the General Services Administration and the Bureau of the Budget to make studies and recommendations for use in developing a plan to provide for the security of the Nation's Capital. The larger agencies in the Executive Branch participated in this work.

Last August 30, the President recommended to the Congress the initial requirements of a dispersal program which provided for the construction of permanent office buildings in Maryland and Virginia within commuting distance of Washington but removed from each other and the central area at distances sufficient to minimize the vulnerability of Government operations in the event of a destructive hostile attack. This would have permitted the transfer to dispersed locations of about 20 percent of the personnel now concentrated in the congested central area and the vacating of most of the unsatisfactory and hazardous temporary buildings therein. The President contemplates the resubmission of this matter to the Congress at an early date.

Meanwhile, the unsatisfactory conditions which the President sought to correct are becoming more and more critical with the increasing intensification of the national security effort. A constantly increasing number of employees is being crowded into already fully occupied offices; the inflammable temporary buildings continue to be occupied to capacity; congestion in the central area is growing; and, most important of all, vulnerability to disruption of operations is increasing with the growing concentration of emergency functions in the central area.

The problem to which your attention is invited and concerning which your assistance is requested has two aspects, one dealing with planning for effective measures to assure the continuity of Federal functions in the event of devastating attack; the other is the more immediate question of providing additional office space in the Washington area to allow for the expansion of the national security program. Effective planning for continuity will depend primarily upon two determinations consisting, first, of classifying functions with a view to assigning priorities from the standpoint of their importance to the total national effort in the event of war; and second, of deciding on the physical locations where

these functions should be performed; i.e., in the District of Columbia and adjacent areas (central area), in a location within commuting distance from Washington (dispersal), or in a location completely removed from Washington (decentralization). The most practical method for meeting the space situation during the next two years appears to be the permanent removal from the seat of Government of organizational units, or parts thereof, the operations which could be performed at distant locations without significant loss of efficiency.

Specific recommendations on priorities and proposed locations for headquarters functions are now requested, with particular emphasis given to the feasibility of either dispersing or decentralizing those functions which have been assigned a high priority. In considering these matters the following limitations should be borne in mind:

Dispersal will no doubt be found preferable to decentralization in many instances, but it may not be possible to complete the construction of permanent buildings in the Washington dispersal area before the winter of 1952.

Decentralization to locations outside the Washington dispersal area should be considered only on a permanent basis.

<u>Protection</u> of personnel, records, and equipment in present buildings can be provided only partially, the extent depending on a study of each individual structure.

Detailed plans for other measures necessary to assure continuity of operations will not be required until the over-all plan for the Executive Branch has been approved and the agencies notified of the locations assigned for the performance of designated functions. Pending this notification, however, each agency should give serious thought to other measures deemed necessary and prepare instructions which could be formalized on short notice, providing in particular for the delegation of provisional authority to be assumed in an emergency. These matters are discussed in further detail in the second section of the attached outline of planning factors.

The assumptions, as approved by the National Security Resources Board and the General Services Administration, which may be made in preparing plans are listed below.

- 1. Washington will remain the seat of Government.
- 2. A devastating attack may occur without any warning.
- 3. No additional Federal office buildings will be constructed in the central area, but new buildings will be provided in the dispersal area.

- 4. The temporary wooden buildings constructed during World Wars I and II will be vacated.
- 5. Office space will be provided for those organization units the functions of which can be performed in completely removed locations.
- 6. Bomb-proof or bomb-resistant shelter will be provided for personnel stationed in the central area.
- 7. Protected space will be provided for the preservation of valuable records and equipment which cannot be duplicated or transferred to locations outside the central area.

This study should be completed within 30 days and proposed plans transmitted to the Bureau of the Budget. Following receipt of this material, arrangements will be made for discussions with representatives of the National Security Resources Board, the General Services Administration, and other interested agencies. As the result of these reviews, agency proposals may be modified after consultation with the proponents.

It is the opinion of the Chairman of the National Security Resources Board, in which I concur, that the importance of this subject warrants the immediate designation of a high official whom the agency head can hold responsible for the effective direction of all required planning and for liaison with the Executive Office of the President and the General Services Administration. If you will furnish my office with his name and telephone number, I shall arrange for Bureau representatives to confer with him promptly with a view to rendering all assistance possible.

Attachments

CONTINUITY OF GOVERNMENT FUNCTIONS

OUTLINE OF PLANNING FACTORS

The purpose of this outline is to assist agency staffs to make a specific approach to planning for assuring the continuity of Government functions in the event of attack. The outline consists of two sections, the first covering those points which should be reported on within 30 days, and the second calling attention to other matters to which serious thought should be given with a view to reporting thereon when requested at some later date.

The report on the subject matter in Section I should be made in the form indicated by the attached exhibits A, B, C, and D. Four copies are desired on sheets measuring 16" by 21", the original to be on number 48 bond.

SECTION I

As stated in the letter to the agency head, to which reference should be made, effective planning for continuity will depend primarily upon two determinations consisting, first, of assigning priorities to functions and, second, of deciding on proposed locations.

Assigning Priorities

Regardless of subsequent plans which may be made concerning proposed physical locations of organization units, it will be necessary first to analyze the several functions which the agency performs with a view to determining their relative importance. By this is meant their importance or contribution to the total national effort in the event of war-

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a broader concept than "national <u>defense</u>." In making this analysis, factors relating to the assurance of continuity, such as physical location, delegation of authority, and other necessary protective measures, should be excluded from consideration.

In analyzing and reporting on priorities, the following points should be included:

- A. Organization unit, function performed, and priority assigned, No. 1 representing the highest priority
- B. Reasons for assigned priority
 - 1. National impact of the function.
 - a. Defense aspects, if any.
 - b. Economic, welfare, or other aspects.
 - c. Relationship to other functions deemed important.
 - (1) Within the agency.
 - (2) With other agencies.

Proposed Location

The determination of physical location is of vital significance to the achievement of continuity of functions. The alternatives to be considered are whether a given function shall be performed (1) in the District of Columbia or adjacent areas (central area), (2) in a location within commuting distance of the District of Columbia (dispersal), or (3) in a location completely removed from the District of Columbia (decentralization).

C. Proposed for location in the central area

Although a certain amount of physical protection can be provided, many of the installations in the central area will be vulnerable to attack. Accordingly, commencing with those assigned the highest priority in "A" above, a searching analysis should be made of the agency's functions with a view to determining which ones must of necessity continue to be performed in the central area instead of in locations elsewhere. Particular attention should be given to the feasibility of conducting operations in the Washington dispersal area, with retention of some office space in the central area if that proves necessary.

The following outline covers some of the points which should be reported upon with respect to each function studied. Others will no doubt occur to agency staff.

- 1. Organization unit, function, and priority assigned.
- 2. Reasons for remaining.
 - a. Relationships with the President, the Executive Office of the President, and the Congress.
 - (1) Reasons for direct contact.
 - (2) Frequency of contacts.
 - b. Interagency relationships.
 - (1) Necessity for direct contact; identify agencies.
 - (2) Frequency of such contacts.

- (3) Reasons why these relationships could not be maintained if operations were to be performed in the dispersal area, provided adequate facilities for communication with the central area offices were furnished.
- 3. Buildings in which located, personnel and space occupied in each building.
- 4. Protection of vital records.

See bulletin of October 31, 1950 from the General Services Administration to the heads of Federal agencies on the subject, "Protection of Indispensable Operating Records for Emergency Use."

5. Protection of specialized equipment.

Identify any specialized equipment, essential to the performance of the function, which could be replaced only at considerable expense or long delay. An itemized list of "Specialized Equipment" used in the performance of the function under study should be attached to Exhibit B.

6. Additional personnel and space estimated to be required by July 1, 1951.

D. Proposed for location in dispersal areas

Before proceeding with this analysis, the remarks which follow herein under the heading "Proposed for Decentralization" should be reviewed.

The following outline is suggested for use in analyzing and reporting on functions subject to dispersal.

- Organization unit, function, and priority assigned in A above.
- 2. Reasons for dispersing instead of decentralizing:
 - a. Relationships with the President, the Executive Office of the President, and the Congress.
 - b. Relationships with other agencies which it is believed will remain either in the central or dispersal areas.
- Buildings in which located, personnel and space occupied in each building.
- 4. Protection of vital records.

See bulletin of October 31, 1950 from the General Services Administration to the heads of Federal agencies on the subject, "Protection of Indispensable Operating Records for Emergency Use."

5. Protection of specialized equipment.

Identify any specialized equipment, essential to the performance of the function, which could be replaced only at considerable expense or long delay. An itemized list of "Specialized Equipment" used in the performance of the function under study should be attached to Exhibit C.

 Additional personnel and space estimated to be required by July 1, 1951.

E. Proposed for Decentralization

Since decentralization would contribute to the achievement of the over-all objective of this study, its possibilities should be carefully reviewed. Clearly, the removal of personnel, records, and equipment to existing office space elsewhere constitutes the most immediate means of relieving the present critical space situation in Washington. However, decentralization should be proposed only for those operations which could be conducted on a permanent basis, and without significant loss in efficiency, in locations completely removed from Washington. With few exceptions, this will amount to accelerating wherever possible the normal decentralization process in the interest of improved administration which has been under way for several years.

In analyzing and reporting on proposed decentralization moves, use the factors outlined in D above whenever appropriate.

SECTION II

Although a plan for the physical location of organization units will be developed from information requested under Section I, it must be realized that permanent buildings in the Washington dispersal areas may not become available for upwards of two years. Pending notification of locations assigned for the performance of designated functions, serious thought should be given to such interim measures as should be taken to assure continuity of operations in the event of a devastating attack without warning. Foremost among these are delegation of command authority and protection of vital records and specialized essential

equipment. Others will no doubt occur to agency staff.
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1. Delegation of command authority

Delegation of provisional command authority should comprise plans for assumption, in the event of attack, of both intermediate and top command by key officials located outside of the central area. As indicated in the letter, a directive on delegation should be drafted which could be formalized on short notice if required.

2. Protection of records

See bulletin of October 31, 1950 from General Services Administration.

3. Feasibility of duplicating or removing specialized essential equipment from the central area

In special instances, the purchase or construction of duplicate equipment to be kept in stand-by condition in some other area may be justified after full consideration has been given to alternative protective measures, including the shifting of operations using such equipment to another area.

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